GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1152
ANSWERED ON:07.03.2008
LOANS PROVIDED BY THE BANKS UNDER PRADHAN MANTRI ROJGAR YOJANA
Khanna Shri Avinash Rai

Will the Minister of FINANCE be pleased to state:

(a) whether the amount released for Pradhan Mantri Rozgar Yojana (PMRY) purposes has been found diverted for other purposes;

(b) if so, the details thereof; and

(c) the action taken by the Government thereon?

Answer

(MINISTER OF STATE IN THE MINISTRY OF FINANCE) (SHRI PA WAN KUMAR BANSAL)

(a) & (b): Some of the banks have reported diversion of the loan amount released for the Prime Minister`s Rozgar Yojana (PMRY) for other purposes. As per extant instructions under the scheme, all implementing banks can file criminal complaints against the borrowers who mis-utilise funds/ loans sanctioned under PMRY. Such instances are also discussed in forums like the Block Level Bankers` Committee (BLBC) and District Level Consultative Committee meetings for appropriate action.

(c): Government tries to ensure proper utilization of funds released under PMRY by laying down clear guidelines for utilization of these funds which include making fresh releases conditional upon submission of utilization certificate, back ended disbursement of subsidy amount to banks and disbursement of loan amount by way of third party cheque to the supplier of goods rather than directly to the borrowers.